

FINAL ANNUAL BUDGET OF
TSWAING MUNICIPALITY



2017/18 TO 2019/20
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

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Part 1 – Annual Budget

1.1 Mayor's Report

Let me from the outset extend my sincere gratitude and thanks to the municipal council for having bestowed this golden and rare opportunity for me to submit the 2017/18 final year budget. This budget honorable councilors is thus, submitted within less than 250 days since the tenure of this municipal council, this implies the tabling of this budget today has placed the municipality on the better position, meaning that the council has met its statutory time frames regarding the tabling of the budget..

It is worth mentioning that this final budget was compiled under challenging circumstances, as the municipality was without substantive administrative leadership for two consecutive financial years, which resulted in the municipality to be regarded as dysfunctional and the fact that key decisions were delayed because of leadership vacuum, the Acting CFO. Notwithstanding these challenges the municipality was able to obtain qualified audit opinion from the Auditor General in respect of the 2015/16 financial year. Management collectively is applauded for the dedication towards maintaining the said audit opinion.

Community consultation which was scheduled to take place from the beginning of April 2017 has been conducted in some areas. The weak economic challenges will continue to pressurize municipal revenue generation and collection hence a conservative approach is advised for projecting revenue. Municipality will improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

There are certain operational challenges including meter-tempering, council together with community must co-operate in dealing with this challenge. Should all the forces not meet to combat these unlawful practices, the municipality will forever experience cash flow problems with detrimental effect on service delivery.

As we are all aware that demands will always exceed available resources, a continued effort will always be sought to prioritize essential services like roads, electricity and access to clean water and sanitation. Tswaing Council is committed towards improving the lives of its citizens by prioritizing the community needs through service delivery initiatives.

Cllr LD Malwane

MAYOR

1.2 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No.86 was used to guide the compilation of the 2017/18 MTREF. The key focus of this circular is the implementation of municipal Standard Chart of Accounts (*mSCOA*) and addressing municipal revenue generation challenges.

Compliance to *mSCOA* by 1 July 2017 requires that municipalities have the following in place:

- Systems-Integrated Integrated Development Plan (IDP);
- Systems-Integrated budget module; and
- Systems that enable transacting across the seven segments of *mSCOA* with subsystems seamlessly integrating to the core system.

NB: The Municipality has complied with the Municipal Budget Reporting Regulation (MBRR) on the 26th of May 2017.

The main challenges experienced during the compilation of the 2017/18 MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents.
- Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Availability of affordable capital/borrowing.

The following budget principles and guidelines directly informed the compilation of the 2017/18 MTREF:

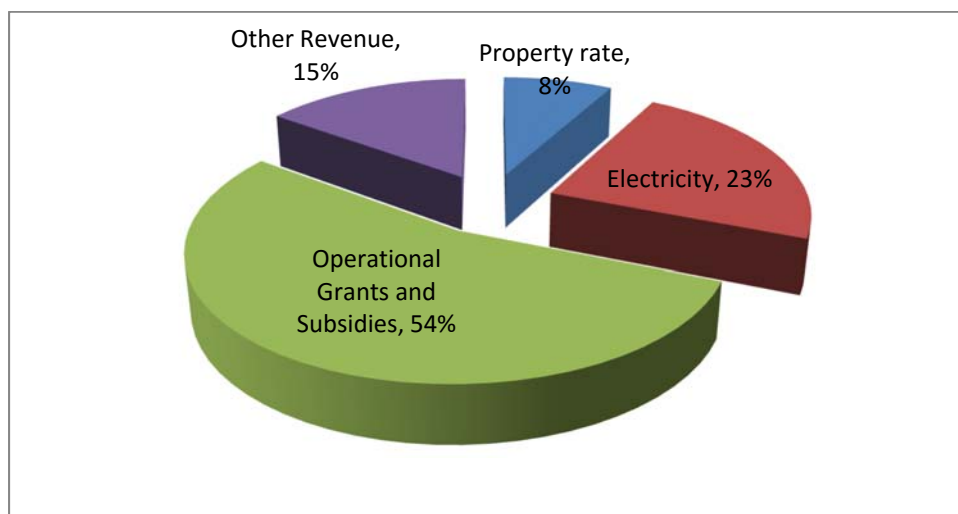
- The 2016/17 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2017/18 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;

- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazette as required by the annual Division of Revenue Act;

In view of the aforementioned, the following tables below is a consolidated overview of the operational revenue, operational expenditure, capital expenditure budget and allocated Grants and subsidies of the 2017/18 budget.

1. Operational Revenue

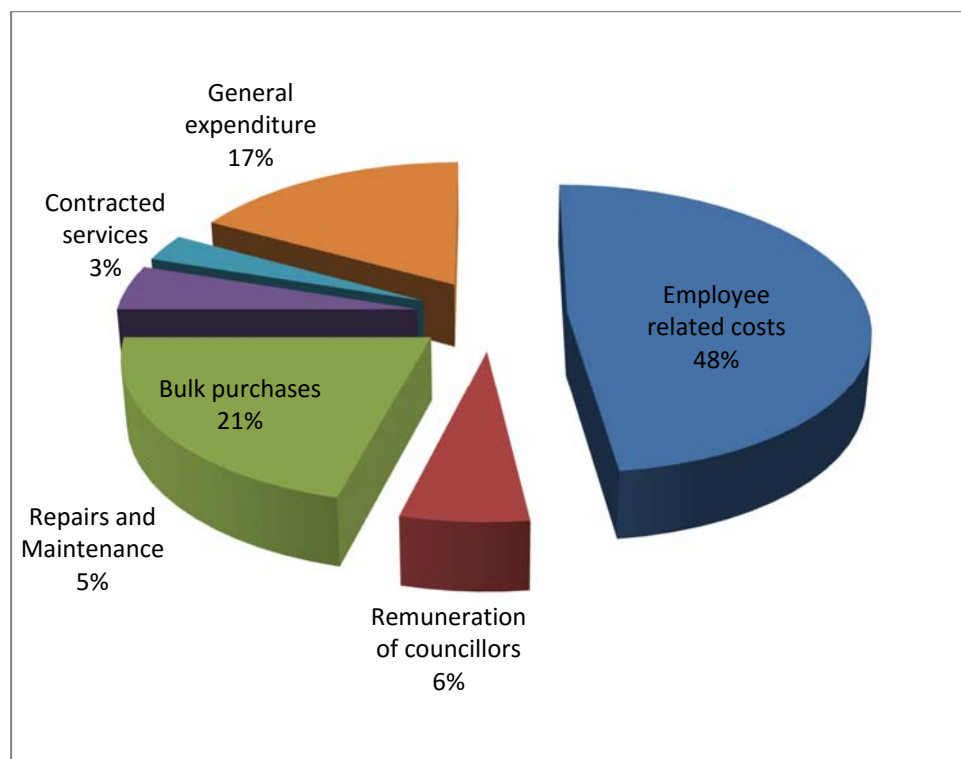
National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between affordability to poorer households and other customers while ensuring the financial sustainability to the municipality. The Consumer Price Index(CPI) inflation has breached the upper limit of 3 to 6 percent target band ;therefore municipalities are now required **to justify all increase in excess of 6.4 per cent** projected inflation target.



Revenue Source	Adjusted Budget	2017/18 Budget	Contribution %
Property rate	-14 050 253	-14 949 469	8%
Electricity	-38 810 363	-41 294 226	23%
Operational Grants and Subsidies	-89 412 000	-97 640 000	54%
Other Revenue	-25 217 500	-26 928 838	15%
TOTAL	-167 490 116	-180 812 533	

Grants and subsidies contributes **54** per cent on the municipal revenue sources while Internal sources of revenue contribute **46** per cent of total budgeted revenue.

2. Operational Expenditure



Expenditure Type	Adjusted Budget	2017/18 Budget	Contribution %
Employee related costs	71 785 158	77 127 399	48%
Remuneration of councillors	9 457 299	10 062 567	6%
Bulk purchases	34 198 445	34 348 027	21%
Repairs and Maintenance	7 366 607	7 838 070	5%
Contracted services	4 759 544	5 064 154	3%
General expenditure	24 341 673	28 332 530	17%
TOTAL	168 863 412	180 812 533	

The municipality has increased the operational budget by **6.4** per cent as per the inflation rate and Bulk Purchases have been increased by **0.31** per cent as per NERSA and National Treasury guidelines.

Employee related costs

The South African Local Government Bargaining Council entered into a three-year *Salary and Wage Collective Agreement* for the period 01 July 2015 to 30 June 2018. The preparation of the 2017/18 MTREF constitutes implementation of the last year of the agreement which municipalities must implement as follows:

- 2017/18 Financial Year – average CPI (Feb 2016 – Jan 2017) + 1 per cent (7, 4)

The previous years were:

- 2015/16 Financial Year – 7 per cent
- 2016/17 Financial Year – average CPI (Feb 2015 – Jan 2016) + 1 per cent

Remuneration of councilors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. (6.4%)

3. Capital Expenditure Budget

Consolidated Capital Budget

Infrastructure Assets
Community Assets

2017/2018
28 243 500
1 300 000

Sources of Funding

MIG Grants
Library Grant

28 243 500
1 300 000

201/17 Planned Capital Projects

Project Name	Ward	Budget
Ganalaagte Internal Roads	5	R 6 000 000.00
Geysdorp Internal Roads	9	R 5000 000.00
Vrischtwaagd Internal Roads	6	R 6 000 000.00
Agisanang Taxi Roads	8	R 6 000 000.00
Delareyville Internal Road	14	R 6 000 000.00
PMU Administration		R 730 000.00
TOTAL		R 29 730 000.00

18/19 Allocation

Amounts to R 34 263 000.00

Allocations will concentration on implementation water projects.

19/201 Allocation

Amounts to R 35 881 000.00

4. Grants and Subsidies Allocated

Municipal Grants

<u>Operational transfer</u>	Adjusted Budget	Budget 17/18	Budget 18/19	Budget 19/20
Equitable Share	-85 712 000	-92 403 000	-101 649 000	-107 070 000
FMG	-2 010 000	-2345 000	-2600 000	-2860 000
EPWP	-1 330 000	-1182 000	0	-1 806 000
Library Grant	-360 000	-1 710 000	-1 710 000	0
TOTAL OPERATING GRANTS	-89 412 000	-97 640 000.00	-105 959 000.00	-111 736 000.00
Capital Transfers				
MIG	-27 939 000	-29 730 000	-31 263 000	-32 881 000
Library Grant	-1 300 000			
INEP	0	0	-3 000 000	-3 000 000
TOTAL CAPITAL GRANTS		-27 730 000.00	-34 263 000.00	-35 881 000.00
	-118 651 000	-125 660 000	-138 512 000	-145 811 000
<u>GRAND TOTAL GRANTS</u>	-	-210 542 533	- 228 135 368	-240 453 516
	198 312 116			

The Municipality's Equitable Share has increase by R6.6 million when compared with 2016/17 allocation.

5. Tariff Principles

The Municipal Tariffs should be cost reflective, which should embody all costs involved to provide the service and should also strike the balance of consumer affordability and the inflation rate in funding the operational budget, the following criteria provide a good indication of various levels of which the tariffs for individual services should be set:

- **Trade Services**

Services such as electricity are classified as trade services, where tariffs should be determined in a way that will ensure that the service is delivered at a surplus.

- **Economic Services**

A service such as Refuse Removal is classified as economic service. Tariffs should be set at a level to ensure that expenditure is recovered and that there is at least a break even.

- **Subsidized Services**

These are services not classified as Trade or Economic Services and funded from sundry revenue and revenue obtained from property rates and equitable share.

6. Tariff Increases

Having consideration of the difficult economic realities of consumers and also to ensure sustainability, it would be necessary to increase certain tariffs to fund the expenditure provided for in the budget.

Property Rates Levies: Envisaged to be increased by CPI Index of 6.4 % (per cent) as per National Treasury's guidelines

Electricity Service Charges: Envisaged to be increased by 1.88% (per cent) as per proposed NERSA application

Refuse Removal: Envisaged to be increased by CPI Index of 6.4% (per cent) as per National Treasury's guidelines

Miscellaneous Tariffs: have been adjusted by 6.4% (per cent)

Electricity Tariffs

Electricity tariff proposed to increase by 1.88% as per NERSA proposed application.

Description	Charges	Approved 2015/2016	Approved 2016/2017	Proposed 2017/2018
Empty stands	Basic	135,98	146,37	149.12
Residential - Houses	Basic	135,98	146,37	149.12
Residential (Tariff per unit)	Energy	1,22	1,31	1,33
Residential - Flats (bulk meters)	Energy	1,44	1,55	1,58
Residential - Households with Flats	Energy	1,22	1,31	1,33
Churches, clubs and old age homes	Basic	136,61	147,05	149.81
	Energy	1,28	1,38	1,41
Agricultural	Basic	455,33	490,12	499.33
	Energy	1,45	1,56	1,59
Business (incl industrial, guesthouses, homebusiness)	Basic	578,67	622,88	634.50
	Energy	1,44	1,55	1,57

Bulk (incl schools & hospitals)	Basic	919,96	990,24	1008.85
	Energy	0,81	0,87	0,88
(Like 3 Phase KVA)	Demand	151,95	163,56	165.44
Prepaid				
Residential		1,47	1,58	1,60
Business		1,73	1,86	1,89
Departmental meters		0,75	0,93	0,94

Water

A 6.4% increase in water tariffs applicable to the residents of Tswaing LM is proposed

Category	Approved Tariffs 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
	Per KI	Per KI	Per KI
Monthly Basic Charge per Category			
Residential - basic	34,40	36,60	6.4%
Residential - consumption(0-6kl)	0.00	0,00	0.00
6.1 - 40kl	4,52	4,81	6.4%
41kl-above	6,33	6,74	6.4%
Residential - Flats (bulk meters)	53,25	56,66	6.4%
Residential - Households with Flats	34,40	36,60	6.4%
Residential - rural areas (per month)	0	50,00	6.4%
Churches, clubs & old age homes - Basic	38,47	40,93	6.4%
Consumption	4,44	4,72	6.4%
Agricultural-(6.1 KI- 40KI)	4,44	4,72	6.4%
Consumption- 41KI-above	6,33	6,74	6.4%
Business basic	53,25	56,66	6.4%
Business - consumption-(0-40 KI)	4,65	4,95	6.4%
Business- Consumption - (40KL-above)	6,42	6,83	6.4%
Departmental meters	2,01	2,14	6.4%

Refuse Removal

Category	Approved 2016/17	Proposed Tariffs 17/18	Tariffs Increase
Residential	86.42	91,95	6.4%
Business	114.62	121,96	6.4%
Containers	123.47	131,37	6.4%

Sanitation

The tariff is proposed to be increased by 6.4% from 1 July 2017

Category	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Residential	79.37	84,45	6.4%
Business	202.83	215,81	6.4%
Schools/Hostels	1 358.07	1444,99	6.4%
Hospitals/Old age homes	299.84	319,03	6.4%

Property rates cover the shortfall on the provision of the general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeted process.

CATEGORY	ApprovedTariff 2016/17	Proposed Tariff 2017/18	Tariffs Increase 2017/18
Residential	0.00635	0.00676	6.4%
Residential - undeveloped	0.00635	0.00676	6.4%
Business	0.00802	0.00853	6.4%
Business - undeveloped	0.00802	0.00853	6.4%
Business - without any municipal services	0.00401	0.00427	6.4%
Agricultural	0.00159	0.00169	6.4%
State Owned	0.02267	0.02412	6.4%
Public Service Infrastructure (PSI)	0.00635	0.00676	6.4%
Exemption Residential properties (MPRA Sect 17(1) (h))	60 000	60 000	0%
Rebate - Pensioners			

VACUUM TANK SERVICES

Description	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Per bucket	61.74	65.69	6.4%
Basic	31.74	33.77	6.4%
RDP per load	119.00	126.62	6.4%
Per tank or part thereof	113.30	120.55	6.4%
Travelling costs per kilometre	18.90	20.11	6.4%

CEMETARY

Description	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
	All towns		
Single grave	514.70	547.64	6.4%
Childrens grave	323.70	344.42	6.4%
Outside Tswaing (people who are not from Tswaing)	518.00	551.15	6.4%
Double grave	566.50	602.76	6.4%
Children	485.60	516.68	6.4%
Opening grave	242.80	258.34	6.4%

LIBRARY			
Description	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Membership fee - per annum	30.67	32,63	6.4%
Once off deposit - borrowing of books	46.00	46.64	6.4%
Once off deposit - borrowing of cd's	153.34	163,15	6.4%
Fines per day - books	7.66	8,15	6.4%
Fines per day - cd's	15.34	16,32	6.4%
Lost books	book value	book value	book value
Auditorium rental	153.34	163,15	6.4%
Auditorium rental - equipment pp	15.34	16,32	6.4%
Lost certificate of membership	41.40	44,05	6.4%

BUILDING PLANS PER SQUARE METER

Description	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Applications			
Residential	7.09	7.54	6.4%
Business	9.22	9.81	6.4%
Copies			
Residential	35.50	37.91	6.4%
Business	49.69	52.87	6.4%
TOWN PLANNING SCHEME	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Township development plan	496.94	528.74	6.4%
CARAVAN PARK	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Daily tariff	76.11	80.98	6.4%
Monthly tariff	1 380.07	1 468.93	6.4%
TRADE LICENCES	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Application & inspection	299.58	318.75	6.4%
SEARCH FEES	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Information (per hour)	109.30	116.30	6.4%
CLEANING OF VACANT STANDS	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Cleaning of stands	709.91	755.34	6.4%

TOWN HALL

Delareyville & Atamelang	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
-			
Weddings, dances, banquet etc	1059.90	1 127.73	6.4%
Deposit	906.41	964.42	6.4%
Social welfare, churches & schools	404.65	430.55	6.4%
Deposit	795.11	846.00	6.4%
Political meetings	1147.36	1220.79	6.4%
Deposit	937.09	997.03	6.4%
Non-political meetings 08:00-16:00	404.65	430.55	6.4%
Deposit	936.87	996.82	6.4%
Non-political meetings 16:00-midnight	404.65	430.48	6.4%
Deposit	1068.35	1136.72	6.4%
Use of PA system	404.65	430.55	6.4%
Use for council purposes			
<u>Agisanang</u>			
	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Rental	454.34	483.42	6.4%
Deposit	425.95	452.78	6.4%
<u>Letsopa</u>			
	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Rental	454.34	483.42	6.4%
Deposit	425.95	452.78	6.4%

General	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Garden refuse bulk removal	283.20	301.32	6.4%
Clearance certificate	113.30	120.55	6.4%
Valuation certificate	93.49	99.47	6.4%
Disposal of dead dogs, cats & poultry	828.35	881.36	6.4%
Disposal of dead sheep, goats & pigs	115.00	122.36	6.4%
Disposal of dead cattle & horses	329.68	350.77	6.4%
Call out charge - owner negligence	498.35	530.24	6.4%
Abattoir (per annum)	2 146.77	2384.16	6.4%
Meat inspection (per carcass)	184.01	195.77	6.4%

Rental of hostels - Delareyville	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
"A"	143.10	157.41	6.4%
"B"	151.35	166.49	6.4%
"C"	151.35	166.49	6.4%
Financial charges	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Interest on outstanding accounts	0.00%	10.0%	
Reconnection charges	450.00	478.80	6.4%
Connection fees	140.00	148.96	6.4%
New connections: Electricity.	3 900.00	4 149.60	6.4%
Water.	2 500.00	2 660.00	6.4%
Pre-paid meters: 3 Phase meters.	3 900.00	4 149.60	6.4%
Single phase meters.	1 700.00	1 808.80	6.4%
Testing of meters	140.00	148.96	6.4%
Minimum consumer deposits: Residential	700.00	706.00	6.4%
Minimum consumer deposits: Business	1 100.00	1 170.40	6.4%
Fine: Illegal connections.			
Residential	10 000.00	10 000.00	0%
Business	15 000.00	15 000.00	0%
Duplicate accounts: Per copy.	15.00	15.96	6.4%
Dishonoured cheques	110.00	117.00	6.4%

	Approved 2016/17	Proposed Tariffs 2017/18	Tariffs Increase 2017/18
Leasing of farms			
Minimum charge per hectare	410.00	436.00	6.4%
Farms will be leased on a bidding process.	Auction	Auction	Auction
Sale of sites (per square meter)			
Delareyville	Charged per market value		
Ottosdal	Charged per market value		
Sannieshof	Charged per market value		

NEW PROPOSED TARRIFFS

Description	Proposed Tariff
Sewerage Connection	R 2 000.00
Disconnection Non Payment	R 500.00
Rental Municipal Houses	R 3 000.00
Selling of Soil	R 5000.00 per load
Taxi stand	Per taxi, per year
Advertising Billboard -Big	R 1000.00
meduim	R 50000
small	R 200.00
Placards	R 10.00 per Placards
Literrring Fine	R 200.00
Hawkers Licences	R 1000.00

Town Planning Services Tariffs

a)	Application for Township Establishment	R3500
b)	Application for extension of boundaries of an approved Township	R1740
c)	Application for Phasing or substantial change to the township	R1800
d)	Application for Amendment of Land Use Scheme (Rezoning)	R1790
e)	Application for Removal of Restrictive Conditions in Title Deeds	R1900
f)	Application for Appeal	R2500

g)	Application for Subdivision of property into 5 or less portions	R700
h)	Application for Subdivision for property into more than 5 portions for the first 5 portions [a further R100 in terms of each portion above 5]	R700
i)	Application for Consolidation of property	R470
j)	Application for Special and Written consent	R600
k)	Site Development Plans	R730
l)	Application for subdivision in terms of Act 70 of 1970	R900
m)	Zoning Certificate	R70

7. Consolidated Overview of the 2017/18 MTREF

EXPENDITURE TOTALS	ADJUSTED B	BUDGET 17/18	BUDGET 18/19	BUDGET 19/20
ALLOWANCE COUNCILLORS	6 186 551	6 582 491	6 957 692	7 347 323
U.I.F.	0	0	0	0
ALLOWANCE COUNCILLORS TELEPHONE	163 503	173 967	183 883	194 181
ALLOWANCE COUNCILLORS TRAVELING	2 313 553	2 461 620	2 601 932	2 747 641
MEDICAL FUND COUNCILLORS	301 410	320 701	338 981	357 964
PENSION FUND COUNCILLORS	492 282	523 788	553 644	584 648
TOTAL COUNCILLORS SALARIES	9 457 299	10 062 567	10 636 133	11 231 756
BASIC SALARIES	47 487 062	51 001 105	54 418 179	57 991 313
BONUS	3 922 225	4 212 470	4 496 013	4 791 022
PERFORMANCE BONUS	148 166	159 130	169 792	180 998
INDUSTRIAL COUNCIL LEVY	31 577	33 914	36 191	38 552
OVERTIME	1 693 698	1 849 172	1 973 066	2 102 601
REDEMPTION OF LEAVE	1 317 184	1 414 656	1 509 631	1 609 064
STANDBY ALLOWANCES	595 265	639 315	682 149	727 170
U.I.F.	596 488	640 628	683 694	728 539
ALLOWANCES ACTING	1 141 638	1 226 119	1 308 592	1 394 959
ALLOWANCES HOUSING	445 758	478 744	511 049	544 778
ALLOWANCES TRAVELING	1 043 235	1 120 435	1 196 339	1 275 298
ALLOWANCES TELEPHONE	77 871	83 634	89 247	95 138
CONTRIBUTIONS : GROUP LIFE	423 111	454 421	484 987	516 904
CONTRIBUTIONS : PENSION FUND	8 766 802	9 415 546	10 048 528	10 707 739
CONTRIBUTIONS : MEDICAL AID	4 095 076	4 398 112	4 693 602	5 001 542
TOTAL EMPLOYEE SALARIES	71 785 158	77 127 399	82 301 059	87 705 615
TOTAL GENERAL EXPENSES	24 341 673	28 332 530	28 722 015	30 445 113
TOTAL BULK PURCHASES	34 198 445	34 348 027	36 305 864	38 338 993
TOTAL CONTRACTED SERVICES	4 759 544	5 064 154	5 352 811	5 652 569
TOTAL REPAIRS AND MAINTENANCE	7 366 607	7 838 070	8 284 840	8 748 791
TOTAL DEPRECIATION	11 859 206	12 618 195	13 337 432	14 084 329
TOTAL CONTRIBUTIONS TO PROVISIONS	5 095 480	5 421 591	5 730 621	6 051 536

TOTAL CONTRIBUTIONS TO FIXED ASSETS	29 239 000	29 730 000	34 263 000	35 881 000
TOTAL EXPENDITURE	198 102 412	210 542 533	224 933 777	238 139 702
REVENUE TOTALS	ADJUSTED B	BUDGET 16/17	BUDGET 17/18	BUDGET 18/19
PROPERTY RATES	-14 050 253	-14 949 469	-15 801 589	-16 686 478
ELECTRICITY	-38 810 363	-41 294 226	-43 647 997	-46 092 285
WATER	-5 700 510	-6 065 343	-6 411 067	-6 770 087
SANITATION	-6 461 769	-6 875 322	-7 267 216	-7 674 180
REFUSE REMOVAL	-8 719 385	-9 277 426	-9 806 239	-10 355 388
RENTAL	-507 423	-539 898	-570 673	-602 630
INTEREST INVESTMENTS	-100 168	-106 779	-112 865	-119 186
INTEREST DEBTORS	0	0		
DIVIDENDS	-18 000	-19 152	-20 244	-21 377
FINES	-85 000	-90 120	-95 257	-100 591
LICENSE FEES	-1 408 000	-1 498 112	-1 583 504	-1 672 181
OTHER REVENUE	-2 300 245	-2 456 686	-2 596 717	-2 742 133
TOTAL OWN REVENUE	-78 161 116	-83 172 533	-87 913 368	-92 836 516
EQUITABLE SHARE	-85 712 000	-92 403 000	-101 649 000	-107 070 000
MSIG	0	0	0	
FMG	-2 010 000	-2 345 000	-2 600 000	-2 860 000
LIBRARY GRANT	-360 000	-1 710 000	-1 710 000	-1 806 000
EPWP	-1 330 000	-1 182 000	0	0
OTHER GRANTS	0	0	0	0
TOTAL OPERATING GRANTS	-89 412 000	-97 640 000	-105 959 000	-111 736 000
MIG	-27 939 000	-29 730 000	-31 263 000	-32 881 000
INEP GRANT	-1 500 000	0	-3 000 000	-3 000 000
LIBRARY GRANT	-1 300 000	0		
TOTAL CAPITAL GRANTS	-30 739 000	-29 730 000	-34 263 000	-35 881 000
GRAND TOTAL GRANTS	-120 151 000	-127 370 000	-140 222 000	-147 617 000
TOTAL REVENUE	-198 312 116	-210 542 533	-228 135 368	-240 453 516

RECOMMENDATIONS

1. That in terms of section 24 (1) of the Local Government: Municipal Finance Management Act (MFMA), 2003 (Act 56 of 2003), the final budget of the municipality for the financial year 2017/18, and indicative allocations for the two projected outer years 2018/19 and 2019/20, and multi-year and single year appropriations are approved as set out in the following tables:

- Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2
- Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3
- Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4.
- Budgeted Capital Expenditure by vote, standard classification and funding, as contained in Table A5
- Budgeted Financial Position, as contained in Table A6
- Budgeted Cash Flows, as contained in Table A7
- Cash backed reserves/ accumulated surplus reconciliation, as contained in Table A8
- Assets Management, as contained in Table A9
- Basic Service Delivery Measurement as contained in Table A10

2. That in terms of Section 75A of the Local Government: Municipal Systems Act, Act 32 of 2000, the tariffs for Property Rates, Electricity, Water, Sanitation as well as refuse removal be approved with effect from 1 July 2017.

3. That in terms of Section 75A of the Local Government: Municipal Systems Act, Act 32 of 2000, the tariffs for other services, be approved with effect from July 2017

4. That the proposed electricity tariff increase is subject to approval by Nersa and will be effective as from 1 July 2017.

5. That the Service Delivery and Budget Implementation Plans be compiled and submitted to the Mayor for approval and implemented with effect from 1 July 2017.